



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

July 14, 1983

Ms. Catherine Chachas
Environmental Affairs
Geokinetics, Inc.
391 Chipeta Way, D-2
Salt Lake City, Utah 84108-1282

RE: Geokinetics Modification
ACT/047/002
Uintah County, Utah

Dear Ms. Chachas:

The Division has reviewed the latest (July 11, 1983) addition to the proposed three retort modification which was submitted June 22, 1983. It is the general understanding that a transitional phase is occurring between the Research and Development (R & D) aspect of the original Kamp Kerogen plan and the commercial phase of the project. Acceptable overlap is acknowledged during this time period.

Fortunately, at this point the discovery of the inadvertent oversight in acreage disturbance reporting was brought to light and handled accordingly. The escalation of acres now totals 70 by your most recent count and although this involves a certain amount of temporary gerrymandering which will be reflected in the updated map, I am sure the State's interests will be covered by your July 15, 1983 submittal of the \$140,000 bond. The Division is, overall, finally pleased that compliance with Title 40-8-18 of the Utah Mined Land Reclamation Act has been achieved.

It should also be noted at this time, that this approval of the modification is conditional upon the following items:

1. The adequate submittal of an acceptable map in addition to the one delivered July 8, 1983 which sufficiently delineates all existing facilities and disturbances (as discussed per our conversation July 13th).
2. Should the proposed submission of a mining and reclamation plan for the Seep Ridge Commercial Phase be cancelled or postponed beyond the Spring of 1984, a detailed review of the currently approved Camp Kerogen Project may be undertaken for the purposes of establishing a more precise bond estimate. At that time, additional information may be required.

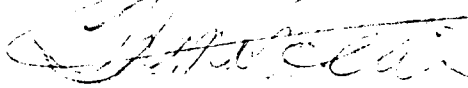
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3. Further enlargement or expansion of the current facilities, either in the R and D phase or transitional aspect will be curtailed until the submittal of the Seep Ridge mining and reclamation plan or until after the more detailed examination of the Kamp Kerogen Project as previously mentioned.

Since final approval is offered under terms of these conditions, your written acceptance of them is requested.

If there are any questions regarding the nature of this approval, please contact me.

Sincerely,



THOMAS N. TETTING
ENGINEERING GEOLOGIST

TNT:gl

cc: Jim Smith
Tom Portle
Wayne Hedberg
Sue Linner
John Blake, State Lands
Pam Grubaugh-Littig